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22 January 1970

MEMORANDUM FOR THE RECORD

SUBJECT: Recent Happenings Involving U-2 Naka Committee in
Response to Mr. Packard's Letter on Aircraft Consolidation

1. Prior to Mr. Nixon's decision on the IDEALIST continuation through FY 71, Mr. Packard requested Dr. McLucas to provide him with his thoughts as to the better way to consolidate the U-2 fleet and still satisfy the community requirements. Recently, Mr. Packard reiterated that since it is obvious that some day you would have to consolidate the fleets, he would like, by 15 February, an answer to his original letter.

2. On 19 December, Dr. Naka requested and was provided figures as to CIA costs to support 12, nine and six aircraft [redacted]. Concurrently, AFIGOS asked [redacted] to provide similar information for both the Air Force operating 12, nine and six aircraft and CIA operating 12, nine and six aircraft. His reply was dated 8 January 1970 [redacted]. The undersigned's discussion of that paper is outlined in [redacted], 16 January 1970.

3. On 19 January 1970, Dr. Naka visited the author with Lt. Colonel Erkelens and Lt. Colonel Bell from AFIGOS and requested that the committee reform and submit a formal answer to Mr. Packard's consolidation paper. At that time, the ground rules were presented by Dr. Naka and are as follows:

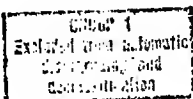
a. Basically two options:

(1) Status Quo - two fleets, six aircraft in each.

(2) Option 1 - consolidation under SAC, nine aircraft.

NRO review(s)
completed.

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(3) Option 2 - consolidation under Agency, nine aircraft. (Other options, i.e., 12 aircraft or six aircraft consolidated under either SAC or Agency might be included in appendixes).

b. FY 70 costs and dollars will be basis for future year estimates submitted.

c. Options will consider two year cost estimates:

(1) Transition year - one time costs.

(2) Typical year - continuing support after the one time costs.

d. For Agency: North Base [] - others on TDY basis.

e. For SAC: Davis Monthan and [] - others on TDY basis.

4. It was the opinion of the author that [] should be contacted to determine the basis used for arriving at the U-2 costs options of []. This meeting took place on 21 January in []

undersigned opened the meeting by suggesting to [] that there were major differences in their costs estimates since [] was not privy to recent determinations such as:

a. Forecast savings of 10-15% below that allocated for spares, tech reps and overhaul of parts.

b. That the ground rule indicating only two operating locations versus five would significantly lower the procurement and overhaul costs of spares, particularly in the electronic line items.

c. That there would be no requirement for peculiarization of aircraft between the two present users. All aircraft are identical.

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5. [] acceded to these statements and iterated that he could only provide figures on the ground rules that he had and that these ground rules were not logical. The group agreed with him and the author suggested that both AFIGOS and OSA meet to write up realistic ground rules prior to attempts to determine dollar costs for the options. A meeting is planned for 22 January in OSA to write these ground rules.

6. The intent of the undersigned, after a further meeting with Dr. Naka on 23 January, is to provide OSA staffs with the assumptions agreed upon and to request comments, operating concepts, significant cost variances, additional personnel needed, etc. so that a realistic total cost estimate may be provided to Dr. Naka.

AQUI/O/OSA [] js (22 January 70)
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